

Code parties, code administrators,
panel chairs, panel members,
central system delivery bodies,
consumer advocates,
all interested parties

Email: industrycodes@ofgem.gov.uk

Date: 3 April 2025

Dear colleagues,

Expressions of Interest to join Implementation Workgroups (Phase 1)

This is a call for volunteers to join Ofgem's Implementation Workgroups (Phase 1). We are seeking participation from interested stakeholders, who have the knowledge and experience to help us develop the modification proposals required as part of implementing energy code reform.

In the consultation published alongside this letter, we noted that, although Ofgem will lead on the development of any required modifications, we consider that the participation of various code party constituents in bilateral discussions and workgroups will be vital to the success of the transition process. We also set out our intention to seek views on topics relevant to implementation planning, such as how best to avoid unintended consequences or negative interactions with existing processes and change programmes.

We anticipate convening workgroups for several sessions over Spring and Summer 2025, which Ofgem will host remotely, with a likely start date in May 2025. To ensure the most value out of these workgroups, we intend to focus on topics where industry expertise is most required (see Appendix 1). We do not intend to include topics where we expect limited changes or where we believe we understand the scope of changes. We may also seek to include some topics still subject to consultation, where we are satisfied this will help us to move at pace and or avoid multiple iterations and time lost on suboptimal solutions.

In advance of workgroup sessions, we expect to detail the range of tasks and requests of workgroup members. These may include some, or all, of the following:

- co-designing the approach to identifying changes, for example, where to look, where knock-on-impacts may come from, and where cross-referencing might be required,
- considering helpful best practice,
- review of 'rules for change' we have identified,
- views on relevant policy proposals, prior to drafting the legal text for consultation, and
- review of legal text.

To help minimise the burden on attendees, we intend to keep the agenda of each session as focused as possible, by dividing discussion on relevant topics between three separate workgroups:

- a Balancing and Settlement Code (BSC) workgroup,
- a Retail Energy Code (REC) workgroup, and

- a cross-cutting workgroup, to address policy and planning topics that may have an impact on a broader range of energy codes (eg, the introduction of a harmonised modification process).

We would like to encourage as much involvement as possible from stakeholders with relevant expertise, with any interested party invited to attend. Although we do not intend to place a formal cap on the number of potential attendees, we may take steps to limit numbers for individual workgroup sessions where needed (eg, by limiting attendance to only a single representative per organisation).

We are seeking members who:

- have BSC or REC expertise
- have cross-code expertise
- can provide multiple constituency or industry perspectives
- are, or were previously, a member of a code panel, and
- have the broadest relevant skills and knowledge.

If you would like to participate in one or more of these workgroups, please email your expression of interest to industrycodes@ofgem.gov.uk by **25 April 2025**, including the following information:

- a brief summary of your relevant skills and experience, including any organisational affiliation(s)
- an indication of which workgroup(s) you would be interested in attending (ie, BSC, REC and or cross-cutting), and
- confirmation of your consent to publish your name and organisation, where required as part of workgroup operation.

Yours faithfully,

Carmel Golden

Deputy Director – Industry Rules

Appendix 1 – Draft Terms of Reference for the Implementation Workgroups (Phase 1) (IWP1)

Function of the IWP1s

1. The purpose of the IWP1s will be to support the detailed implementation of code reform, particularly as it relates to developing modification proposals and refining the sequencing and coordination needed to implement them. Depending on the policy topic in question, the IWP1s may be asked to:
 - advise on, or co-design, the approach to identifying changes,
 - consider helpful best practice,
 - review 'rules for change' we have identified,
 - provide views on relevant policy proposals, and
 - review legal text.
2. The IWP1s are not decision-making bodies. They will act as a source of expertise and as a critical friend to Ofgem, contributing to the development of detailed modification proposals for future consultation.

Scope

3. The IWP1s shall consider and input into the development of implementation-related topics relevant to some or all codes in scope of energy code reform, with each workgroup focused on one of the following three areas:
 - a Balancing and Settlement Code (BSC) workgroup,
 - a Retail Energy Code (REC) workgroup, and
 - a cross-cutting workgroup, to address policy and planning topics that may have an impact on a broader range of codes.

Topics to be covered by the IWP1s

4. We expect to cover the following topics at the IWP1s, with amendments to this list likely to be made over time depending on the outcome of associated discovery exercises (eg, new issues may emerge that we consider would be helpful to include):
 - topics related to the implementation of a harmonised modification process, including the new stakeholder advisory forum
 - topics related to the new code manager role, such as the design of relevant performance incentives
 - consequential changes required due to the introduction of the new code manager role, such as those related to sub-committee composition, performance assurance regimes, code derogations, etc.
 - various topics related to implementation planning, such as how to sequence the transition process and manage potential interactions with ongoing change processes.

Membership

5. The IWP1s will be constituted from Ofgem representatives, and code body and industry experts including:
 - representatives from stakeholders with experience in relevant topics, such as the code modification processes of one or more codes or in-depth knowledge of the performance assurance frameworks of the BSC and REC
 - representatives from code administrators.

6. We do not intend to place a cap on the number of interested parties who are able to attend each workgroup session. The IWP1s will therefore not be subject to quoracy requirements.

Roles and responsibilities of members / ways of working:

- Code administrators: to share their expertise and knowledge of the code governance process and to identify potential transitional considerations.
 - Code stakeholders: to use their experience interacting with the existing code governance process to help us identify and develop necessary changes, and to identify potential transitional considerations.
 - Ofgem: to chair and provide secretariat functions, while also developing or commissioning relevant workgroup content.
7. IWP1 members are requested to work in a coordinated and cooperative way, in line with the principle of transparency, and to maintain a consensus mindset to ensure a smooth and efficient workshop process.